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May 4, 2005

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The Honorable Kevin J. Martin, Chairman
The Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *In re* Rural Health Care Support Mechanism
WC Docket No. 02-60

Dear Mr. Chairman:

The importance of the Rural Health Care Support Mechanism of the Universal Service Fund, which provides the benefits of telemedicine and telehealth programs to millions of Americans residing in rural and underserved areas throughout our nation, cannot be overstated. As the representative of a rural congressional district, I am particularly cognizant of the critical role that rural telemedicine programs play in providing specialty health care services not available locally.

Telemedicine provides a means of obtaining diagnostic services and other forms of specialized care for patients in rural settings without the necessity of having to travel to teaching hospitals and other distant centers of medical specialization. Through advances in telecommunications technology, medical images, including lab slides, CAT scans and magnetic resonance images can be transmitted across the telecommunications network. The distant center of specialization receives an image whose clarity is the same as the original, and the specialist in the distant center can render an opinion with the same degree of certainty as if he were viewing the original image. The specialist can also interview the patient by means of a high-quality videoconference.

This advance is tremendously beneficial for patients in rural settings, who can avoid the time and expense associated with travel to the distant medical center. The patient can simply go to a clinic in his hometown that has telemedicine capability, and while he stays in the local examining room, the specialist located hundreds of miles away can conduct the examination and render a diagnosis. For these citizens, the provision of readily available, high-quality medical treatment, education and services is, quite simply, essential.

In my district in Southwest Virginia, for example, the Thompson Family Health Center in Vansant, the Lee Community Hospital in Pennington Gap, the Stone Mountain Health Clinic in

Castlewood and the Norton Community Hospital in the City of Norton are linked electronically to the University of Virginia's Health Sciences Center. The telemedicine service is carried on Network Virginia, the asynchronous transfer mode network created and administered by Virginia Tech, which enables the simultaneous delivery of voice, video images and data among institutions of higher learning, public health departments and other public entities. The local telephone companies serving Southwest Virginia provide T-1 lines, which carry information at the rate of 1.5 megabits per second – a speed sufficient for the transmission of high-quality still images and essential for telemedicine diagnostics and for video conferencing of acceptable quality – to connect each of the four medical sites to Network Virginia.

In addition to the provision of medical care, the teleconferencing capability of the telemedicine project enables the University of Virginia to use the four linked sites for a range of educational undertakings:

* Health professionals in the communities where the project is located are able to use the telemedicine technology to participate in continuing education courses originating at the University of Virginia. Each of the four sites has opened its facilities to all health care providers in the area, whether or not the health care providers are associated with the medical facility hosting the project.

* Patients may take part by teleconference in University of Virginia-sponsored patient education programs, which promote their well being.

* Personal computer workstations at each of the four sites enable health professionals to connect through the server at the University of Virginia to any and all locations on the world wide web, including the National Library of Medicine, the National Cancer Institute, the National Institutes of Health and other information-rich sites that offer online databases of interest to the medical community.

In the absence of our universal service policy, the high cost of delivering and receiving telemedicine services would make the cost prohibitive for many of the health care providers in my district and throughout our nation. As the Commission continues to survey the changes in the telecommunications landscape and consider how to revise the Rural Health Care Support Mechanism, which the arrival of new developments in the telecommunications industry makes necessary, I urge you to retain our core basic universal service policy: affordable access for everyone.

To that end, I commend the Commission for redefining what constitutes a rural area in the *Second Report and Order* adopted December 15, 2004, to better target small towns and villages. The change means that Dungannon, Virginia, with a population of 317, located in Scott County in my district and which is about an hour's drive from the nearest large urban area, now qualifies as a rural area for purposes of the Rural Health Care Support Mechanism. I also commend the Commission for posting a list of eligible rural areas on the Universal Service Administrative Company's website so that this information is easily accessible.

I urge the Commission to grandfather permanently sites that were eligible for Rural Health Care Support Mechanism funding as of December 15, 2004, the date of the *Second Report and Order*, so that no telemedicine sites will lose the funding on which they have come to rely to carry out their mission. Without this change, the small community hospital in the Appalachian town of Tazewell, Virginia, in my district, with a population of 4,100, will soon become ineligible for the Rural Health Care Support Mechanism because, under the Commission's new rules, it will be considered to be in an urban area. This facility, which is approximately 20 miles from the nearest hospital via mountainous terrain, relies on telemedicine for clinical consultations, ongoing patient care, teleradiology and continuing education for health care professionals. Without the benefit of the current Rural Health Care Support Mechanism, its costs for an essential broadband connection will increase by 275 percent, an almost threefold increase that would be difficult for virtually any budget to bear. It is therefore critical that the Commission permanently grandfather sites that were eligible for Rural Health Care Support Mechanism funding under the rules in effect prior to December 15, 2004, to avoid the loss of telemedicine services that are essential to these rural communities.

In the *Second Report and Order* of December 2004, the Commission seeks comment on issues relating to use of the Rural Health Care Support Mechanism to fund Internet access and other telecommunications services. I applaud the Commission for following the mandate in Section 254(h)(2)(A) of the Communications Act to "establish competitively neutral rules to enhance . . . access to advanced telecommunications and information services for all . . . health care providers"[1] and for recognizing the importance of the Internet to rural health care providers when, in its 2003 *Report and Order* in this proceeding, it decided to use the Rural Health Care Support Mechanism to provide a flat discount of 25 percent off the cost of monthly Internet access for rural health care providers.[2] In the December 2004 *Second Report and Order*, the Commission asks whether this 25 percent flat discount is sufficient and indicates that it will continue to use a flat discount approach, which "will lead to greater predictability and fairness among health care providers."[3] For the reasons outlined below, I strongly urge the Commission to calculate the discounts provided to rural health care providers for information services on the same basis as discounts are calculated for telecommunications services pursuant to the rules of the Rural Health Care Support Mechanism.

In an era of newly emerging technologies that allow for novel ways to deliver services to rural health care providers, a Rural Health Care Support Mechanism that is still based on the concept of a local telephone monopoly with a single wireline provider for all voice service is outmoded. While rural health care facilities rely on Internet access to enable access to medical research, online health education courses, video conferencing and other services, they also today

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[1] *See also* H. Conf. Rep. No. 104-458, at 132 (1996) ("The ability of . . . rural health care providers to obtain access to advanced telecommunications services is critical to ensuring that these services are available on a universal basis.").

[2] *See* In re *Rural Health Care Support Mechanism*, Report and Order, Order on Reconsideration, and Further Notice of Proposed Rulemaking, 18 FCC Rcd 24546, 24561 (2003) ("*Report and Order*").

[3] In re *Rural Health Care Support Mechanism*, Second Report and Order, Order on Reconsideration, and Further Notice of Proposed Rulemaking, 19 FCC Rcd 24613, 24536 (2004) ("*Second Report and Order*").

increasingly rely on the Internet as a substitute for traditional, circuit-switched local and long distance telephone service. Telephony services like VoIP offered by cable systems, telephone companies or independent providers over a broadband platform look, feel and function exactly like traditional telephone service, but rural health care providers who opt for the newer services, which are often more cost effective, are entitled to a lesser Universal Service Fund benefit.

Calculating the discounts provided to rural health care providers for information services on the same basis as for telecommunications services pursuant to the rules of the Rural Health Care Support Mechanism is also consistent with Section 254(h)(2)(A) of the Communications Act, because it would "establish competitively neutral rules to enhance . . . access to advanced telecommunications and information services for all . . . health care providers." When the Commission adopted the 25 percent flat reimbursement rate for monthly Internet access service in 2003, it stated that it was acting conservatively in settling on the 25 percent figure and indicated that it would determine whether an increase in the discount was necessary or advisable as it gained more experience with this aspect of the support mechanism.[4] The statistics quoted by the Commission in the *Further Notice* bear out that the approach adopted in the 2003 *Report and Order* did not go far enough. Demand for Internet access support has not come close to exceeding the annual funding cap, as the Commission had feared that it might.[5] And today, use of the Internet is even more critical for rural health care providers, and use of the Internet as a substitute for more traditional forms of telecommunications services will only increase going forward.

I also urge the Commission to allow mobile rural health care clinics to use telecommunications platforms other than satellite, such as terrestrial wireless, to provide telemedicine services. Such a change is likewise in keeping with Section 254(h)(2)(A)'s directive that the Commission establish competitively neutral rules. Other technologies may be just as effective and more economical than satellite, thereby allowing mobile rural health care clinics to expand their service while decreasing outlays from the Rural Health Care Support Mechanism. This approach will also allow for regulatory flexibility, as changes in technology outpace the Commission's ability to update its regulations.

I commend you for continuing your deliberations on this matter and look forward to working with you as you make the changes needed to preserve our core principle of ensuring the availability of high-quality health care for each of our nation's citizens. Thank you for the great effort you have put forth to enhance the viability and sustainability of the nation's existing telemedicine programs and to encourage the deployment of a greater number of such initiatives.

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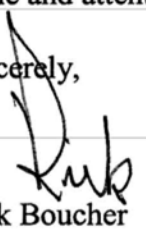
[4] *See Report and Order*, 18 FCC Rcd at 24562.

[5] *See Second Report and Order*, 19 FCC Rcd at 24536 ("To the extent that we were concerned in the 2003 *Report and Order* that demand for Internet access support would exceed the annual funding cap, to date, those concerns have not come to fruition.").

Thanking you for your time and attention to this matter, I remain

Sincerely,



Rick Boucher
Member of Congress

cc: The Honorable Kathleen Q. Abernathy
The Honorable Michael J. Copps
The Honorable Jonathan S. Adelstein